COMMUNITYWISE BELLINGHAM
informing the conversation

GPT/BNSF Custer Spur EIS Co-Lead Agencies January 19, 2013

Communitywise Bellingham (CWB) has been identified by the EIS Agencies as a Key Stakeholder. We have been active in developing research and suggesting process for the last two years. Our focus is local, Whatcom County and Bellingham. This is one in a series of comments on specific aspects of issues.

Railroad Impacts – Fundamental Baseline Assumptions

Significant foreseeable impacts of GPT include well-documented railroad traffic and infrastructure issues for Bellingham and Whatcom County. CWB, the City of Bellingham, and others have submitted specific comments. For any study of those many issues to be meaningful, it is essential to have an objective and fact based view of the baseline situation prior to the current PRB coal push and GPT proposal. This is a fundamental requirement. This comment addresses assumptions.

CWB requests that the GPT EIS be based on and include a fact-based and objective assessment of the baseline railroad and coal shipping conditions. Faulty assumptions will produce faulty conclusion. Note that while these baseline assumptions are focused on Whatcom County, they are relevant to conditions for other communities statewide.

Emphasis on baseline assumptions has been a high priority for project proponents. They have put forward specific and widely accepted claims regarding railroad traffic in Whatcom County.[1] It is of little surprise their set of claims, if assumed true, would pre-determine that GPT railroad traffic cannot possibly be responsible for any impacts.

Those claims identify important factors that need to be evaluated. They include: (1) coal trains have always been running through Bellingham without any notice or complaint (until organized efforts by project opponents created unfair attention); (2) the volume of train traffic with GPT will be no different than Bellingham has experienced in the recent past such as when Georgia Pacific was operating or when lumber was coming from Canada; and, (3) the trains "are coming anyway" and will simply go through to Canada if not to GPT.

The facts concerning these claims are well documented and in each case they show the claim to be false.

Claim 1: Coal Trains have always been running through Bellingham

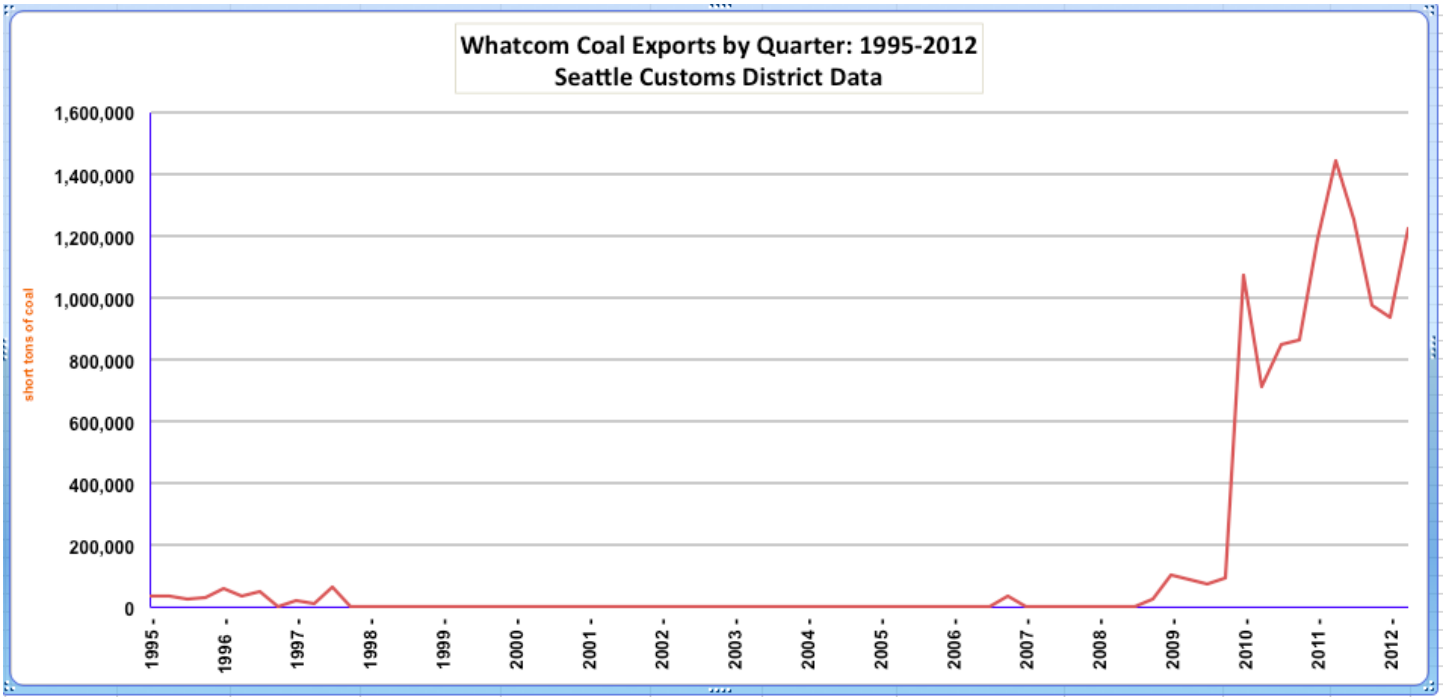
This claim is patently false. Government data show the PRB coal trains began building up in 2009, at the same time as SSA was working hard with state and local officials as well as regulators on this project. In 2010 the GPT project became visible as a huge coal terminal that was part of the general PRB "coal rush" rather than the small bulk commodity terminal everyone had assumed. It is interesting to note that in our supposed "coal train past" none of the long sidings and heavy rail that are required for coal unit trains were in place.[2]

[1] A local multi-year marketing campaign helped create a widespread view of their claims as "common knowledge". The claims have even made their way into some media reports as if they were facts

[2] Washington State Department of Transportation has a complete listing of the many siding improvements and rail replacement as well as rail bed maintenance projects that have received funding in recent years.

The following chart shows Seattle customs district data - all exports of coal to Canada through Whatcom County.[3] It includes the coal export data available online, from 1995 through the 2nd quarter of 2012 (the same data in tabular form is included at the end of the document).

A visual inspection of this unambiguous data reveals the facts. It shows this first claim to be false. Regular coal train traffic through Bellingham is a very recent development.[4] Regular coal traffic has definitely not "always been passing though". Even the minor quantity bumps that show in the mid 90's are overstated because not all coal came through Bellingham. Seattle Customs data includes coal that was exported through Sumas in those years when the inland route was more active.



During the 10 years preceding the mid-2009 arrival of PRB coal unit trains, the *full year* average for coal through Whatcom County was 9,128 tons. It is interesting to note that what passed through *during an entire year* in those past years would only fill *half* of a single 150 car unit train planned for GPT (the daily traffic through Bellingham would be 16 of those, 8 of them full, plus one round trip of some other long bulk commodity train). To put it in numbers, GPT plans *daily* coal freight through Bellingham that is 16 times as great as past *full year tonnage*.[5]

Coal trains have not "always been passing" through Bellingham. It is recent and it is our observation that once they appeared, they were very much noticed by the community.

Claim 2: Bellingham Train Traffic will be no different than in the past

As documented in recent train studies by Whatcom Council of Governments, Bellingham train traffic was actually lower in the last years of Georgia Pacific operations than during other cyclical peaks including the Canadian lumber boom. One reason the lumber train narrative has resonated is a ready local memory of many cars loaded with

[3] United States Department of Energy publishes quarterly *Coal Exports by Customs District* reports here.

[4] The extremely small volumes in most quarters of past years are indicative of a very occasional single coal car on a mixed freight train, not of any coal trains per se.

[5] The 10 year total from the US customs data is 91,278 tons (9127.8 tons per year). The project PID indicates 8 loaded 150-car trains at 16,350 metric tons or 18,022 US tons (the customs measure). Multiplying 8 by 18,022 yields 144,176 tons per day which is 15.8 times greater than that annual average. GPT PID Page 4-55, Table 4-5.

Canadian lumber sitting on sidings along the Roeder waterfront and on the South Bellingham siding. While this image is easy to recall it does not actually speak to the *volume* of through train traffic. Bellingham just happens to be a convenient yard for lumber that has passed through border customs. Those lumber cars were waiting to be dispatched on trains bound for delivery to many destinations during the US housing market boom.

The lumber boom was, in fact, a period of peak traffic. The cross border traffic component and the driving market conditions are discussed in the recent WCOG freight study[6] "Freight rail traffic increased significantly from 2004 to 2006, supported by the removal of tariffs on lumber from Canada and unprecedented housing starts in the United States. … By 2007, train volumes had again slowed to the 2002 levels … With the closures and consolidations in Canada of the lumber industry, these volumes are unlikely to be seen in the future."

The lumber boom created one of the cyclical 12-14 trains per day peaks of base train traffic through Bellingham. BNSF and SSA have indicated that with the addition of the recent PRB coal traffic (replacing some of the reductions due to the 2007 economic slowdown) we are at similar levels today.[7] As has been documented elsewhere,[8] those peaks are at or near the 14-15 trains per day capacity of the Bow to Ferndale corridor through Bellingham and there is reason to believe that previous studies overstated capacity where it involves coal trains.[9]

Adding GPT's planned daily base load of 18 trains per day per day to the existing 12-14 per day results in 30-32 trains per day. This is more than twice as many daily trains than Bellingham has ever experienced, there is not even the capacity to handle them, and the GPT trains will be significantly longer than any ever experienced in the past.

Train traffic like this has never been seen in the past.

Claim 3: The Trains are coming anyway

Despite its widespread acceptance, absolutely no analysis has ever been produced to substantiate the claim. All known facts lead to a contrary conclusion.[10] Analysis of this claim can be found in many places including our own analysis (found here) and recently supplemented by our comment (found here). We also note a relevant Sightline discussion (found here), and a paper at Coal Train Facts (found here).

This is nothing more than speculation. More importantly, even if it had any factual basis - which it does not, it is not relevant to the EIS. *What the EIS has to address is foreseeable impacts from actual planned traffic that will be generated by the project.*

Given the speculation that somehow, under some unknown set of conditions, huge coal traffic to Canada may materialize - it is just as reasonable (or unreasonable) to argue that since this same traffic to Canada will happen "anyway" that it should be added to the GPT train traffic for the EIS analysis. Neither argument has any merit. This claim has no role in this EIS.

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[6] Whatcom Council of Governments, *Seattle, WA – Vancouver, B.C. Cross-border Freight Rail Improvement Study*, 2011. Page 32.

[7] That may not be true in recent weeks as the recent crash of a cape size ship into the overwater conveyor system at Westshore Terminals has cut their capacity in half and reduced the coal train traffic.

[8] Several CWB comments have detailed the long standing WSDOT and BNSF conclusion about capacity through Bellingham and an independent 2012 review by the consultants most familiar with this corridor, Transit Safety Management (found here), agrees.

[9] As discussed

[10] GPT is the same size as recent exports from all BC terminals combined, there is no rail capacity through Bellingham to the border, there is less capacity from the border to the east-west Roberts Bank train corridor, there is no north-south bridge over that corridor and even today trains are held up south of Bellingham because of north-south crossing problems, etc.